

Chairperson: Supervisor Elizabeth Coggs
Clerk: Carol Mueller, 278-4228
Research Analyst: Steve Cady, 278-4347

COMMITTEE ON FINANCE AND AUDIT

Thursday, December 9, 2010 - 9:00 A.M.
Milwaukee County Courthouse - Room 201-B

MINUTES

PRESENT: Supervisors Mayo, Schmitt, Johnson, West*, Jursik and Thomas, (Chair)

EXCUSED: Supervisor Coggs

*Note: Supervisor West was not present at roll call but appeared shortly thereafter.

SCHEDULED ITEMS:

Note: *The bid opening for Series 2010C Bonds and 2010D Notes will take place at 10:00 a.m. in Room 201B.*

1. 10-F38 From UnitedHealthcare, a status report on their DBE participation.

APPEARANCE(S):

Susan Bridges UnitedHealthcare

Dustin Hinton, UnitedHealthcare

Freida Webb, Director, Community Business Development Partners

Ms. Bridges reviewed the UnitedHealthcare quarterly report.

The Committee took no action on this informational item.

2. 10-379 From the Interim Director, Department of Health Human Services, requesting authorization to abolish one Child Care Program Specialist and create one position of Contract Specialist in the Milwaukee Early Child Care Administration, Division of Early Care and Education. **(Also to the Committee on Personnel, Department of Administrative Services, and Division of Human Resources.) (10/28/10 Finance and Audit approved the creation of the positions. 10/29/10 Personnel made no recommendation on the classification and wage by virtue of a tie vote.) (11/4/10 County Board referred the item back to both the Personnel and Finance and Audit Committee.)**

This Item was removed from the agenda prior to the start of the meeting. The State of Wisconsin has withdrawn the request for the position.

3. 10-284 From the Interim Director of Health and Human Services, a report regarding the
(a)(c) 2010 Behavioral Health Division Capital Budget Project and issues regarding the recent Statement Of Deficiency. **(Also to the Committee on Health & Human**

SCHEDULED ITEMS (CONTINUED):

Needs.) (INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

APPEARANCE(S):

Geri Lyday, Interim Director, Department of Health and Human Services

Ms. Lyday updated the Committee on the progress of correcting the items in the SOD. The State was at BHD recently to review items that had a deadline of November 15. No other citations have been issued to date. The review that generated the SOD is a routine inspection that occurs every four years. Once BHD has met all the requirements of the SOD, unless any additional deficiencies are found or a complaint of safety issues is received, this review will take place again in four years.

ACTION BY: (Johnson) Receive and place on file the said report. Vote 5-0

AYES: Mayo, Schmitt, Johnson, Jursik and Thomas (Chair)-5

NOES: -0

EXCUSED: West -1

4. 10-39 (a) From the Interim Director, Department of Family Care, submitting an informational report on the CMO's fiscal and programmatic condition. **(Bi-monthly report) (Also to the Committee on Health & Human Needs.) (INFORMATIONAL UNLESS OTHERWISE DIRECTED BY THE COMMITTEE.)**

APPEARANCE(S):

Maria Leger, Director, CMO, Department on Aging

Jim Hodson, Chief Financial Officer, CMO, Department on Aging

Mr. Hodson provided updates on the Departments fiscal position. At this time the Department is projecting a surplus of \$2.1 million. There will be some adjustments needed in the fourth quarter to realign expenditures.

The State Department of Human Services will be making advanced payments for January through April of 2011 totaling \$96.5 million which will be deferred revenue.

The Committee took no action on this informational report.

5. 09-391 (a) From the Director of Human Resources, with input from the Department of Audit and County Board Staff, submitting an analysis of management-to-staff ratios on a department level and countywide basis including detailed departmental organizational charts reflecting functional areas and direct reporting hierarchies from 2005 through the 2010 budget year. **(Also considered by Committee on Personnel.) (Verbal status update.) (INFORMATIONAL UNLESS OTHERWISE**

SCHEDULED ITEMS (CONTINUED):

DIRECTED BY THE COMMITTEE)

APPEARANCE(S):

Steve Kreklow, Fiscal and Budget Administrator (DAS)
Patty Yunk, District Council 48

Mr. Kreklow spoke to the Committee on the Department's need to categorize the management staff appropriately. Some managers are supervising very few people while others have large numbers of employees to supervise, and there are also others that work along side the staff. The Department will bring the report forward for the January 2011 cycle.

A lengthy discussion ensued on how the Department failed to bring the report forward for many months.

Ms. Yunk spoke to the Union's concern of non-compliance of the Johnny Jones Act.

The Committee took no action on this verbal report.

6. 10-42 From the Manager of Real Estate Services, DTPW, monthly informational report
(a) for land sale closing on UWM/Innovation Park. **(Also considered by the Committee on Economic & Community Development.) (INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE(S):

Craig Dillmann, Manager of Real Estate Services, DTPW

Mr. Dillmann informed the Committee that UWM has not requested any further extensions. If all goes well, the closing could be January 15, 2011.

The Committee took no action on this informational report.

7. 10-12 From the Register of Deeds, a report on a revenue deficit.
(a)(n)

APPEARANCE(S):

John La Fave, Register of Deeds

This deficit relates to recording fees on houses. Refinancing has also dropped which is accounted for in the recording fees.

ACTION BY: (Mayo) Receive and place on file. Vote 6-0

AYES: Mayo, Schmitt, Johnson, West, Jursik and Thomas (Chair)-6

NOES: -0

SCHEDULED ITEMS (CONTINUED):

8. 10-F31 From the County Treasurer, notification of unanticipated income from the
(10-467) miscellaneous revenue account. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE(S):

Dan Diliberti, Treasurer

Items 8 and 9 were discussed together.

Mr. Diliberti noted that a system for stale-dated check has resulted in \$450,000. It is anticipated that about half of this money will be claimed pending notification for a surplus of \$225,000.

The surplus for delinquent property taxes relates to all 19 municipalities in Milwaukee County. The Department worked with individuals to set up payment plans. In addition, bankers have set up escrow accounts to pay off the taxes.

Further discussion ensued on the relocating of the Accountant 4 position from the Treasurers Office to the Department of Administrative Services. Mr. Diliberti feels this could affect their efforts regarding the collections discussed herein.

**ACTION BY: (Jursik) Receive and place on file the reports from Items 8 & 9.
Vote 5-0**

AYES: Schmitt, Johnson, West, Jursik and Thomas (Chair)-5

NOES: -0

EXCUSED: Mayo -1

9. 10-F32 From the County Treasurer, notification of revenue surplus in collections of
(10-468) delinquent property taxes. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

See Item #8 above for Committee's discussion and actions.

10. 10-404 From the Director, Department of Transportation and Public Works, and the
Airport Director, requesting that the 2007 Budget Amendment 1B027 is hereby
rescinded and the requirement for this semi-annual report is eliminated. **(Also to
the Committee on Transportation, Public Works and Transit)**

APPEARANCE(S):

Thomas Heller, Accounting Manager, General Mitchell International Airport
Steve Kreklow, Fiscal and Budget Administrator, DAS
Steve Cady, Fiscal and Budget Analyst, County Board

SCHEDULED ITEMS (CONTINUED):

Discussion ensued on the need for this report. Supervisors and staff feel the report is very useful and concise. The report reflects projects that span multiple years and shows the history along with expected completion.

Supervisor Jursik requested the Department contact her to work together to enhance the report to make it easier for legislators to use.

ACTION BY: (Johnson) Lay over to the call of the Chair. Vote 5-0

AYES: Schmitt, Johnson, West, Jursik and Thomas (Chair)-5

NOES: -0

EXCUSED: Mayo -1

11. 10-457 From the Director of Employee Benefits, requesting authorization to amend the United Health Care contract to include Employee Assistance Plan (EAP) services effective January 1, through December 31, 2011. **(Also to the Committee on Personnel)**

APPEARANCE(S):

David Arena, Director, Employee Benefits

Steve Kreklow, Fiscal and Budget Administrator, DAS

The current EAP is combined in a contract with the PPO insurance. There is no agreement with the current vendor. This plan needs to be replaced. The EAP is not part of our regular health plan but does contribute in keeping the cost down from Milwaukee County's self insured program. UnitedHealthcare provided a quote that included enhanced services and offers integration with the current health insurance plan and streamlines networking. This would provide continuity of care for a short range of time. Milwaukee County's entire health plan will be up for the request for proposals process in 2011. The EAP Program provides a helpful tool for managers to assist with employees that need these services.

ACTION BY: (Schmitt) Approve. Vote 6-0

AYES: Mayo, Schmitt, Johnson, West, Jursik and Thomas (Chair)-6

NOES: -0

12. 10-F35 From the Director of Employee Benefits, providing an informational report on the
(10-469) mental health/substance abuse coverage move to the PPO under United Health Care for the 2011 Plan Year. **(Also considered by the Committee on Personnel.)**
(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

APPEARANCE(S):

David Arena, Director, Employee Benefits

Matt Hanchek, Fiscal Benefits Manager, Employee Benefits

SCHEDULED ITEMS (CONTINUED):

A lengthy discussion ensued on the need to provide a new vendor for this service. An agreement couldn't be reached with the current vendor, MHN. There are concerns regarding MHN's cost to claims ratio. In 2010, administrative expenses exceeded 30% and the vendor didn't comply with the Disadvantaged Business Enterprise (DBE) requirements. MHN proposed a 6% increase for next year but the consensus was no increase was warranted. The Department did not extend the contract.

The Department will move this coverage to UnitedHealthcare which will provide a small savings but better coordination of care and bigger discounts are expected.

ACTION BY: (Mayo) Create a resolution recommending the Department move forward with mental health/substance abuse coverage to the PPO under UnitedHealthcare for the 2011 Plan Year. Vote 6-0

AYES: Mayo, Schmitt, Johnson, West, Jursik and Thomas (Chair)-6

NOES: -0

13. 10-458 From the Director, Division of Employee Benefits, requesting authorization to purchase a stop loss insurance policy from UnitedHealthcare for coverage effective January 1, through December 31, 2011. **(Also to the Committee on Personnel)**

APPEARANCE(S):

David Arena, Director, Employee Benefits

Mr. Arena explained that it is hard to get many competitive bids for contracts regarding this type of insurance. This is the most risky and this contract will cost \$387,000 more than last year. Consideration was given to increasing the deductible, but that didn't make any substantial benefit to Milwaukee County.

With input and guidance from Cambridge, it was the consensus to issue a contract with UnitedHealthcare.

Discussion ensued on the need for Milwaukee County to provide a reserve fund for catastrophic losses.

ACTION BY: (Mayo) Approve. Vote 6-0

AYES: Mayo, Schmitt, Johnson, West, Jursik and Thomas (Chair)-6

NOES: -0

14. 10-F36 From the Director of Employee Benefits, submitting an informational report regarding Milwaukee County's conventional dental plan. **(Also considered by the Committee on Personnel.) (INFORMATIONAL ONLY UNLESS OTHERWISE**

SCHEDULED ITEMS (CONTINUED):

DIRECTED BY THE COMMITTEE)

APPEARANCE(S):

David Arena, Director, Employee Benefits

Items #14 and #15 were discussed together.

There is a very minimal increase in the rate for the conventional dental plan through Humana. Furthermore, Humana has agreed to comply to Milwaukee County DBE goals

The DMO plan had a 2.6% and 2.8% increase for single and family coverage respectively. The plan vendors fully comply to Milwaukee County DBE goals

The Committee took no action on these informational reports.

15. 10-F37 From the Director of Employee Benefits, providing an informational report regarding the Care Plus DMO Plan. **(Also considered by the Committee on Personnel.) (INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

See Item #14 for the Committee's discussion and actions.

16. 10-19 From the Director, Department of Transportation and Public Works, submitting an
(a) informational report regarding O'Donnell Park parking structure repair options. **(Also considered by the Committee on Transportation, Public Works and Transit.) (09/15/10: Referred to Departmental staff and Audit for a follow-up report.) (INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE(S):

Jack Takerian, Director, Department of Transportation and Public Works (DTPW)

Greg High, Director, Architecture, Engineering & Environmental Services, DTPW

Items #16 and #17 were discussed together.

Mr. Takerian informed the Committee that the Department will be handling the parking structure under four separate contracts. They include the parking structure façade, parking structure repairs, parking structure deck sealing and general repairs. Late last week the plans for the design were issued and are due December 15. Next a contract for the removal of the panels will be issued. All contracts will be bid out in the usual RFP process and will meet all DBE and residency goals.

SCHEDULED ITEMS (CONTINUED):

A discussion ensued on the project completion and partial use. Further discussion involved the need and process to get the occupancy permit from the City of Milwaukee.

Mr. Kreklow reviewed the report on the cost benefit. Various options could have a negative revenue effect on Milwaukee County. The report does not include an in-depth due diligence review and compares neighboring property for the estimated value. Outstanding debt and other issues would decrease the value Milwaukee County could receive.

Supervisor Thomas requested information on the percent of space utilization during the day including monthly usage. Also, provide usage during special events.

The Committee took no actions on these informational reports.

17. 10-19 (a) From the Fiscal and Budget Administrator-DAS, a report on the cost benefit analysis of the O'Donnell Parking Structure. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

See Item #16 for the Committee discussion and actions.

18. 10-289 A resolution by Supervisors Weishan, Dimitrijevic and Larson, respectfully requesting the State of Wisconsin, Department of Administration-Division of Facilities, to conduct an independent investigation of the O'Donnell Park Parking Structure. **(9/23/10 Referred to Corporation Counsel for opinion.)**

ACTION BY: (West) Lay the item over to the call of the Chair. Vote 5-0

AYES: Schmitt, Johnson, West, Jursik and Thomas (Chair)-5

NOES: -0

EXCUSED: Mayo-1

19. 10-448 From the Manager of Risk Management-DAS, requesting authorization to negotiate a contract with Aurora Health Care to provide Occupational Health Services for Milwaukee County employees.

APPEARANCE(S):

Jason Gates, Director, Risk Management, DAS

Tracy Wymelenberg, Aurora Manager, Government Officer

Freida Webb, Director, Community Development Business Partners

The Department proceeded with the RFP process with four responses received. The recommendation is to award the contract to Aurora Health Care. Since this is a direct provider service, it is difficult to find DBE providers. Aurora will make a

SCHEDULED ITEMS (CONTINUED):

good faith effort to have five percent DBE participation

Aurora will provide this information to the Committee before December 16, 2010.

ACTION BY: (West) Approve. Vote 5-0

AYES: Mayo, Schmitt, Johnson, West and Thomas (Chair)-5

NOES: -0

EXCUSED: Jursik -1

20. 10-1 Fund transfers (25)
- (a)(z) A. Departmental Receipt of Revenue (9)
 - (a)(aa) B. Unallocated Contingency (1)
 - (a)(ab) C. Capital Improvements (6)
 - (a)(ac) D. Inter-Departmental (1)
 - (a)(ad) E. Departmental-Other Charges (1)
 - (a) F. Departmental (7)

APPEARANCE(S):

Scott Manske, Controller, DAS

John Ruggini, Assistant Fiscal and Budget Administrator, DAS

Discussion ensued on fund transfer A1.

ACTION BY: (Mayo) Approve. Vote 5-0

AYES: Mayo, Schmitt, Johnson, West and Thomas (Chair)-5

NOES: -0

EXCUSED: Jursik -1

21. 10-393 From the Fiscal and Budget Administrator-DAS, a report on Passenger Vehicle
(a) Review including starting and ending mileage on all vehicles.
(INFORMATIONAL UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

The Committee took no action on this informational report.

22. 10-16 From the Controller, a fiscal report as of September 30, 2010. **(INFORMATIONAL**
(a)(k) **UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE(S):

Scott Manske, Controller, DAS

Mr. Manske reviewed the said report. He noted that the projected deficit is \$4.4 million. He also said of the pension contribution of \$31 million, only \$27.6 by actuarial standards is necessary. The difference could be used to offset the deficit,

SCHEDULED ITEMS (CONTINUED):

but the ordinance for the pension contribution would need to be addressed.

Most revenues need to be recorded by March 31, 2011, to be recognized as 2010 revenues. Any revenue related to taxes must be recognized by February 28, 2010.

Supervisor Mayo requested the Controller provide the Committee with final closing dates for each type of revenue.

ACTION BY: (Mayo) Receive and place on file the said report. Vote 5-0

AYES: Mayo, Schmitt, Johnson, West and Thomas (Chair)-5

NOES: -0

EXCUSED: Jursik -1

23. 10-449 From the Fiscal and Budget Administrator-DAS, requesting authorization to amend Chapter 56.30 of the Milwaukee County General Ordinance.

APPEARANCE(S):

Steve Kreklow, Director, Department of Administrative Services (DAS)

Scott Manske, Controller, DAS

Jerry Heer, Director of Audits

Mr. Kreklow addressed the need for the changes to the Ordinance. These changes will be reflected in the procedures on personal services contracts so the ordinance and procedure are in agreement. A request for proposals (RFP) will be needed for all contracts over \$50,000 and/or increases in contract that cause them to exceed the \$50,000 limit. If the RFP process is not done, Departments must report this to the Committee before the awarding of the contract.

Mr. Heer noted that when an audit is done discrepancies in the requirement to inform the Board on sole source contract will come to light.

ACTION BY: (Schmitt) Approve. Vote 4-1

AYES: Schmitt, Johnson, Jursik and Thomas (Chair)-4

NOES: -Mayo -1

EXCUSED: Jursik -1

24. 10-459 From the Fiscal and Budget Administrator, Department of Administrative Services (DAS), requesting authorization to add the Pharmaceutical Management Initiative, authorized in the 2011 Adopted Budget, to the existing Medco Contract, increasing the annual Medco administration fee by a maximum of \$85,300 per year. **(Also to the Committee on Personnel.)**

SCHEDULED ITEMS (CONTINUED):

APPEARANCE(S):

Steve Kreklow, Director, Department of Administrative Services (DAS)

With the assistance of the Cambridge group, this change was advised and will result in a savings of \$1.5 million

ACTION BY: (Mayo) Approve. Vote 5-0

AYES: Mayo, Schmitt, Johnson, West and Thomas (Chair)-5

NOES: -0

EXCUSED: Jursik-1

25. 07-111 From the Director of Audits, a six-month status report on the Milwaukee County
(a)(g) Recycling Audit. **(INFORMATIONAL UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE(S):

Jerry Heer, Director of Audits

Mr. Heer noted that improvements have been implemented on most items in these reports. A status report of the single audit will not be necessary since the 2010 annual audit will reflect any open items.

The Federal Rent Assistance Program has been affected by furloughs and needs to be administered properly or this could have an adverse effect with Federal regulators.

ACTION BY: (Mayo) Receive and place on file the status reports for Items 25 through Items 28 with future status reports due as recommended by the Audit Department. Vote 5-0

AYES: Mayo, Schmitt, Johnson, West and Thomas (Chair)-5

NOES: -0

EXCUSED: Jursik-1

26. 08-215 From the Director of Audits, a six-month status report on the Procurement Audit.
(a)(d) **(INFORMATIONAL UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

See Item #25 for the Committee's discussion and actions.

27. 10-217 From the Director of Audits, a six-month status report on the Federal Rent
(a)(a) Assistance Program Audit. **(INFORMATIONAL UNLESS OTHERWISE DIRECTED BY THE COMMITTEE.)**

See Item #25 for the Committee's discussion and actions.

SCHEDULED ITEMS (CONTINUED):

28. 10-287 From the Director of Audits, a status report on the implementation of the
(a)(a) Countywide Audit and Single Audit recommendations. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

See Item #25 for the Committee's discussion and actions.

29. 10-412 From the Director, Department of Administrative Services, requesting authorization to advertise for public sale and the sale of General Obligation (GO) Refunding Bonds in an aggregate principal amount not to exceed \$41,000,000, and related matters.

Items 30 & 31 were taken out of order in the meeting.

APPEARANCE(S):

Pamela Bryant, Capital Finance Manger, DAS

This will refinance 2001-2003 bonds. It is anticipated a savings of \$2.4 million will be realized.

ACTION BY: (Mayo) Approve. Vote 6-0

AYES: Mayo, Schmitt, Johnson, West, Jursik and Thomas (Chair)-6

NOES: -0

30. 10-132 From the Department of Administrative Services (DAS), awarding the sale of
(a)(i) Taxable General Obligation Corporate Purpose, Series 2010C (Build America Bonds – Direct Payment) to the best bidder.

APPEARANCE(S):

Pamela Bryant, Capital Finance Manger, DAS

Charles Jarik, Bond Counsel, Chapman & Cutler, LLP

David Anderson, PFM

The bid opening for the Series 2010C and 2010D Bonds and Notes took place at 10:00 a.m. The following are the list of offers:

2010C \$38,165,000 Taxable GO Corporate Purpose Bonds:

<u>Bidder Name</u>	<u>TIC</u>
M&I Bank	4.782146
Robert W. Baird & Co., Inc.	4.849632
J.P. Morgan Securities LLC	5.804840

The recommendation for award of the 2010C Bonds was the best bid submitted from M&I Marshall & Ilsley Bank of Milwaukee, Wisconsin and associates at a

SCHEDULED ITEMS (CONTINUED):

price of \$38,345,084.05 plus accrued interest to the date of delivery.

ACTION BY: (Mayo) Approve the recommended award with no further action of the Board necessary. Vote 5-0-1

AYES: Mayo, Schmitt, Johnson, West and Thomas (Chair)-5

NOES: -0

ABSTAIN: Jursik -1

31. 10-132 From the Department of Administrative Services (DAS), awarding the sale of
(a)(j) General Obligation Promissory Notes Series 2010D to the best bidder.

APPEARANCE(S):

Pamela Bryant, Capital Finance Manager, DAS

Charles Jarik, Bond Counsel, Chapman & Cutler, LLP

David Anderson, PFM

The bid opening for the Series 2010C and 2010D Bonds and Notes took place at 10:00 a.m. The following are the list of offers:

2010D \$9,770,000 GO Promissory Notes:

<u>Bidder Name</u>	<u>TIC</u>
Hutchinson, Shockey, Erley & Co.	2.819810
J.P. Morgan Securities LLC	2.949909
Robert W. Baird & Co., Inc.	3.067281

The recommendation for the award of the 2010D Notes was the best bid submitted from Hutchinson, Shockey, Erley & Co. of Milwaukee Wisconsin, and associates at a price of \$9,855,836.50 plus accrued interest to the date of delivery

ACTION BY: (Mayo) Approve the recommended award with no further action of the Board necessary. Vote 6-0

AYES: Mayo, Schmitt, Johnson, West, Jursik and Thomas (Chair)-6

NOES: -0

32. 10-F39 From the Department of Administrative Services (DAS), an informational report on
the bond ratings for pending debt issuances. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE(S):

Steve Kreklow, Director, Department of Administrative Services (DAS)

Overall the bond rating agencies rank Milwaukee County one step below a triple A rating. Fitch has issued a negative outlook for Milwaukee County primarily

SCHEDULED ITEMS (CONTINUED):

based on the fund balance. If the 2011 Budget is managed, that rating could be reversed.

The Committee took no action on this informational report.

33. 10-463 From the Fiscal and Budget Administrator, Department of Administrative Services (DAS) requesting to amend various sections of Chapter 17 and Chapter 201 of the Milwaukee County Code of General Ordinances as it pertains to wage, health, and pension benefits based on the provisions of the 2011 Adopted Budget and Wisconsin Act 218. **(Also to the Committee on Personnel, Pension Study Commission and Pension Board)**

This item was heard out of order early in the meeting.

APPEARANCE(S):

Steve Kreklow, Director, Department of Administrative Services (DAS)

Larry Langer, Buck Consultants

Mark Grady, Principle Assistant, Corporation Counsel

Greg Storm, Reinhart, Boerner & Van Deuren

Jerry Heer, Director of Audits

Maurice Pulley, Registered but didn't speak on the item

Mr. Kreklow noted that these changes were needed to align the Ordinance with the 2011 Budget regarding employee contributions and the Mental Health parity act. Numerous meeting with all concerned parties were held to ensure the changes are accurate and correct.

Mr. Langer reviewed the report from Buck Consultants (attached to these minutes) showing the savings to Milwaukee County that will occur with employee contributions to the pension fund. This report covers the years of 2010-2012 and reflects contributions starting in 2011 by non-represented and elected officials in a separate column. Additionally, the report provides a column reflecting the savings if all members contributed.

A lengthy discussion ensued regarding the vested rights, pretax contributions, OPEB liabilities and social security and Medicare taxes.

ACTION BY: (Johnson) Approve. Vote 5-1

AYES: Schmitt, Johnson, West, Jursik and Thomas (Chair)-5

NOES: -Mayo-1

SCHEDULED ITEMS (CONTINUED):

STAFF PRESENT:

Freida Webb, Director, Community Business Development Partners
Geri Lyday, Interim Director, Department of Health and Human Services
Maria Ledger, Interim Director, Department on Family Care
Jim Hodson, Chief Financial Officer, Department on Family Care
Steve Kreklow, Fiscal and Budget Administrator, DAS
Craig Dillmann, Manager, Real Estate Services, Department, Transportation and Public Works (DTPW)
John La Fave, Register of Deeds
Dan Diliberti, Treasurer
Thomas Heller, Accounting Manager, General Mitchell International Airport
David Arena, Director, Employee Benefits
Matt Hanchek, Fiscal Benefits Manager, Employee Benefits
Jack Takerian, Director, DTPW
Greg High, Director, Architecture, Engineering & Environmental Services, DTPW
Jason Gates, Director, Risk Management, DAS
Scott Manske, Controller, DAS
John Ruggini, Assistant Fiscal and Budget Administrator, DAS
Pamela Bryant, Capital Finance Manager, DAS
Jerry Heer, Director of Audits
Mark Grady, Principle Assistant, Corporation Counsel
Steve Cady, Fiscal and Budget Analyst, County Board

This meeting was recorded on a tape. Committee files contain copies of communications, reports and resolutions, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes, along with the audio recording of this meeting, is available in the County Board Committee Services Division.

Length of meeting: 9:05 a.m. to 12:30 p.m.

Carol Mueller

Chief Committee Clerk

DEADLINE FOR THE FINANCE & AUDIT COMMITTEE:

The next regular meeting is Thursday, January 27, 2011 @ 9:00 a.m.

All items for the agenda must be in the Committee Clerk's possession by the end of the business day on ***Tuesday, January 11, 2011.***

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.